

SinoPac Holdings Materiality Analysis

Materiality analysis is an integral part of SinoPac Holdings' sustainability strategy, target-setting and tracking, and overall corporate risk management. SinoPac Holdings continuously follows and gains insights from international sustainability trends, global sustainability ratings and sustainability disclosure standards. The company also references the material issues identified by international industry benchmark peers and domestic counterparts and conducts annually materiality assessments in accordance with the guidance and spirit of "GRI 3: Materiality Topics" and the principle of double materiality. For the impact materiality assessment in 2025, SinoPac Holdings continued to review and confirm the list of sustainability issues and positive and negative impacts defined in the previous year, considering market trends, due diligence results, and stakeholders feedback. After confirming the impact list, internal and external stakeholder impact surveys are conducted to understand their assessments of external environmental, economic, and people impacts. Based on this, the ranking of positive and negative impacts and major themes is adjusted. The survey covers seven stakeholder groups: employees, customers, shareholders (investors), media, community/non-profit organizations (NPOs)/ non-government organizations (NGOs), competent authorities, and suppliers. In addition, SinoPac Holdings has incorporated the concept of double materiality since 2023, integrating financial materiality into its overall materiality analysis. The financial materiality of each issue is evaluated by senior executives, and the results are consolidated with the aforementioned impact materiality identification results to identify topics aligned with the principle of double materiality. The results of the materiality identification were submitted to the Sustainable Development Committee and, after being reported to the Board of Directors, were disclosed in the Sustainability Report. The above identification process was also verified by an independent third party, SGS Taiwan Limited (SGS). Please refer to the Appendix of this report for the statement of its independent assurance opinion. Details of the materiality identification process are provided below.

Procedures for the Identification of Material Topics

Step 1

Stakeholder Identification

Description of the methodology and procedures

SinoPac Holdings tracks market development and sustainability trends in the financial industry each year. The company also reviews and evaluates the completeness of its stakeholder groups to identify both internal and external stakeholders.

Results

Following benchmarking analysis and internal interviews in 2025, there is no change in the stakeholder groups in 2025 compared to 2024.

Stakeholders

Employees

Customers

Shareholders (Investors)

Media

Communities / NPOs/ NGOs

Competent Authorities

Suppliers

Step 2

Compilation and Validation of the Impact List

Description of the methodology and procedures

SinoPac Holdings compiled and validated a list of potential positive and negative impacts across the upstream, midstream, and downstream segments of its value chain on the external economy, environment, and society. The integrity of the impact list was ensured by referencing the following dimensions:

Referenced the Sustainability Accounting Standards Board (SASB) for the banking sector, as well as domestic and international sustainability trends and standards within financial industry.

Incorporated findings from due diligence and stakeholder feedback (e.g., input from internal and external stakeholder grievance mechanisms, and analysis of media/public opinion)

Upstream: Suppliers

Supplier assessment

Supplier self-assessment

Supplier audit

SinoPac's Own Operations

Employees

Operational Governance

Employee survey

Occupational health risk assessment

Compliance self-evaluation

Personal data protection self-assessment

Downstream: Customers

Corporate Finance

Retail Finance

Customer due diligence

Project finance environment and social due diligence

Customer due diligence

Consumer dispute complaints analysis

Customer Satisfaction survey, telephone service satisfaction survey

Human rights risk due diligence

Note: Please refer to 2.2.1 Ethical Corporate Management Culture, 2.2.2.3 Customer Due Diligence, 2.3.8 Human Rights Risk Identification and Management, 2.5.2 Privacy and Security Management, 3.1.3 Responsible Lending, 3.4.2 Customer Satisfaction and Customer Feedback Mechanisms, 4.4 Happy Workplace Environment, and 5.2 Sustainable Supply Chain for the due diligence mechanisms implemented by SinoPac Holdings in the value chain.

Results

In 2025, SinoPac Holdings identified a total of 29 impact topics, comprising 14 positive impacts and 15 negative impacts, and made partial revisions to certain names and description of impact, as presented in the table below. For the list of impacts, please refer to the table in Step 4 of this procedure.

Direction of Impact	Impact Names in the Previous Year	Impact Names in the Current Year	Description
Positive	Competitive compensation and benefits	Competitive compensation and benefits and protection of employee rights	In addition to providing competitive compensation, companies should also consider the positive impacts on employee rights and the effectiveness of labor-management communication.
Negative	Adverse effects caused by the application of science and technology	Adverse effects caused by management failure	In addition to enhancing financial accessibility, companies should also consider the potential negative impacts arising from unassessed risks to vulnerable groups and inadequate implementation of regulatory measures in financial activities.

SinoPac Holdings

About this Report

Chairman's Message

Materiality Analysis

Sustainable Development Performance Highlights in 2025

Awards and Honors

About SinoPac Holdings

Fulfillment of Trustworthy Governance

Fulfillment of Innovative Service

Fulfillment of Healthy Workplace

Fulfillment of Green Operations

Fulfillment of Inclusive Growth

Appendix

Step 3

Impact assessment - communication with internal and external stakeholders

Description of the methodology and procedures

SinoPac Holdings distributed questionnaires to internal and external stakeholders to gather their assessments of impacts on the external environment, economy and people impacts. Based on the results of due diligence and stakeholder engagement, SinoPac Holdings evaluated and adjusted the "level of impact" and "likelihood of occurrence" of each type of impact. These were then ranked to produce an impact matrix, which defined the materiality level of each impact —categorized as critical, important, or basic. In 2025, SinoPac Holdings collected a total of 1,156 questionnaires on impact to internal and external stakeholders for the impact matrix.

Stakeholders	Target Audience	Number of Responses
Employees	Employees	701
Media	Media	23
Shareholders (Investors)	Shareholders (Investors)	34
Competent Authorities	Competent Authorities	7

Stakeholders	Target Audience	Number of Responses
Customers	Corporate financial clients, retail clients, and investee companies	282
Suppliers	Suppliers and contractors	63
Communities / NPOs/ NGOs	Partner NPOs/NGOs and local branch communities	46

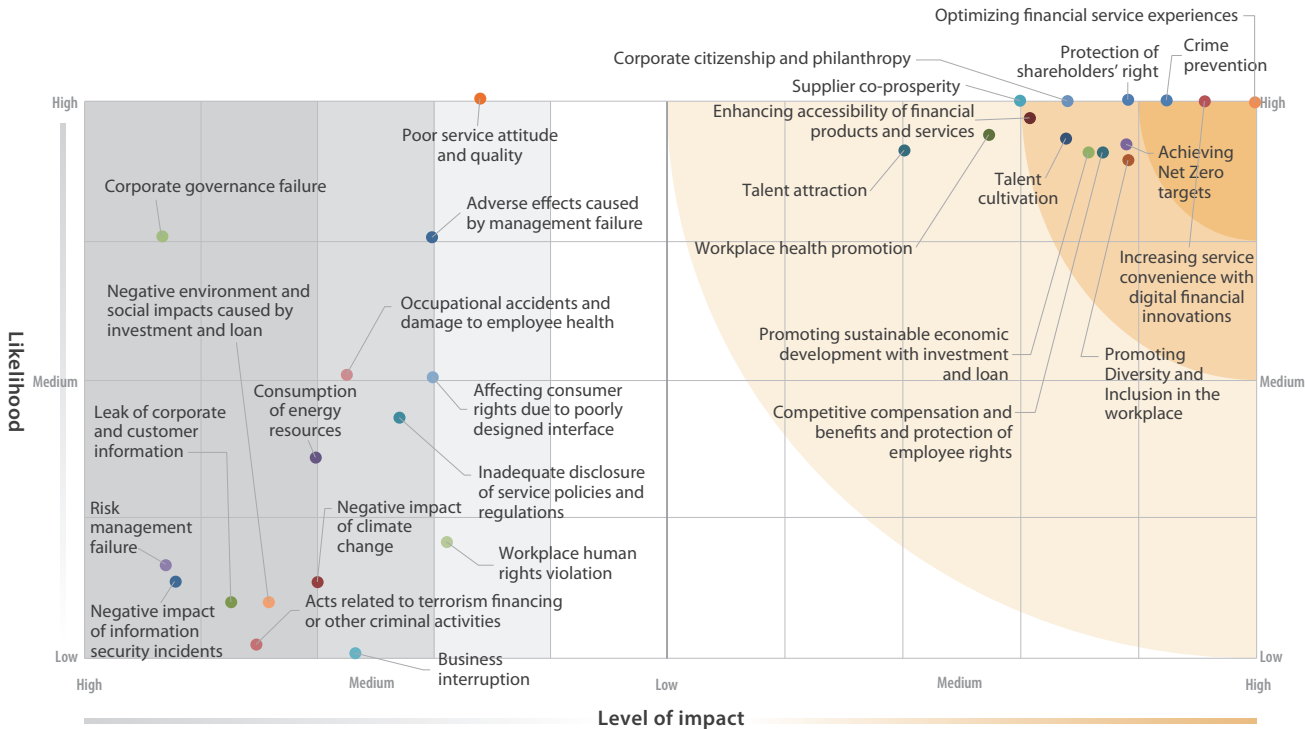
Note: The scope of due diligence information and the impact assessment survey covered Amret and King's Town Bank, which were newly included in 2025.

Results

After an analysis conducted in accordance with the aforementioned procedures, the adjustments to the materiality ranking of positive and negative impacts for SinoPac Holdings in 2025.

Direction of Impact	Impact Names	Ranking in the Previous Year	Ranking in the Current Year	Description
Positive	Enhancing accessibility of financial products and services	Basic impact	Important impact	Considering that inclusive financial is a highly promoted program by financial competent authority, and Bank SinoPac has demonstrated its commitment to inclusive financial through the acquisition of Cambodia's largest microfinance institution, Amret. Thus, the materiality ranking of this impact has been upgraded.
Negative	Adverse effects caused by management failure	Basic impact	Important impact	Considering the past negative news regarding Amret financial services, and this topic has been identified as a relatively important issue by external stakeholders for two consecutive years. Thus, the materiality ranking of this impact has been upgraded.
	- Negative impact of climate change - Consumption of energy resources	Critical impact	Important impact	Considering that the financial industry is not a carbon-intensive industry and Scope 1 and Scope 2 emissions are not primary areas of concern, its adverse impact on climate change is relatively low. In addition, SinoPac Holdings has already considered adverse impacts from its investment and loan activities (Scope 3) under the impact "Negative environment and social impacts caused by investment and loan". Thus, the materiality ranking of this impact has been downgraded.

2025 Positive and Negative Impact Matrix of SinoPac Holdings



Step 4

Identification and ranking of material topics

Description of
the methodology
and procedures

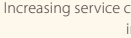
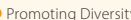
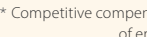
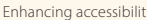
SinoPac Holdings consolidated positive and negative impact issues into material topics. For example, the positive impact "crime prevention" and negative impact "acts related to terrorism financing or other criminal activities" were grouped into the material topic "compliance and combat crime". The importance level of each material topic (critical, important, or basic) was then identified based on the higher level of impact between its positive and negative components. In addition, the identification process took into account the results of human rights due diligence, domestic and international policies and trends, and SinoPac Holdings’ current strategic priorities.

Results

After the review, there were slight changes to the material topics in 2025 compared to the previous year. SinoPac Holdings identified 19 material topics, which were the same as the previous year. 8 were critical topics, 10 were important topics, and the other 1 was a basic topic.

Among them, the material topics that experienced changes include “Accessibility of Financial Products and Services”. Considering the Group’s business expansion and based on stakeholder feedback, its level of importance was upgraded from “basic” to “important.” Another topic is “Climate Change and Net Zero Strategy.” As Scope 1 and Scope 2 emissions are relatively low in the financial industry and financed emissions constitute the primary source, the focus of net zero strategies lies in investment and lending portfolios. Given that this topic is already covered under “Sustainable Finance,” and based on stakeholder feedback, its importance was downgraded from “critical” to “important.”

Topic classification	Definition
 Critical topics	Topics with high level of impact on the economy, environment, and people and high likelihood of occurrence. Provide full explanation in the Sustainability Report in accordance with related GRI Standards and disclose detailed management and performance of the topics..
 Important topics	Topics with medium level of impact on the economy, environment, and people and medium likelihood of occurrence. Provide full explanation in the Sustainability Report according to GRI Standards and disclose key management and performance of the topics.
 Basic topics	Topics with low level of impact on the economy, environment, and people and low likelihood of occurrence. Most of them are routine issue to be considered as the basic management topic. Only necessary follow-ups are disclosed in the Sustainability Report.

 Critical topics  Important topics  Basic topics  Human right topics *Renamed this year		
Negative Impact	Positive Impact	Material Topics
 Corporate governance failure	-	Corporate governance
 Risk management failure	-	Risk management
 Negative impact of information security incidents	-	Information security and cybersecurity
 Leak of corporate and customer information	-	 Privacy protection
 Acts related to terrorism financing or other criminal activities	 Crime prevention	Compliance and combat crime
 Negative environment and social impacts caused by investment and loan	 Promoting sustainable economic development with investment and loan	Sustainable finance
 Inadequate disclosure of service policies and regulations	 Optimizing financial service experiences	Financial service quality
 Poor service attitude and quality	 Increasing service convenience with digital financial innovations	Digital financial innovation
 Negative impact of climate change	 Achieving Net Zero targets	Climate change and net zero strategy
 Consumption of energy resources	 Protection of shareholders’ right	Protection of shareholders’ right
-	 Talent cultivation	Talent cultivation
-	 Supplier co-prosperity	Supplier co-prosperity
 Occupational accidents and damage to employee health	 Workplace health promotion	 Occupational health and safety
Business interruption	-	Operational resilience
 Workplace human rights violation	 Promoting Diversity and Inclusion in the workplace	 Corporate human rights and diversity and inclusion
-	 * Competitive compensation and benefits and protection of employee rights (Formerly “Competitive compensation and benefits”)	* Compensation, Benefits and Employee Rights
-	 Corporate citizenship and philanthropy	Corporate citizenship and philanthropy
 * Adverse effects caused by management failure (Formerly “Adverse effects caused by the application of science and technology”)	 Enhancing accessibility of financial products and services	* Accessibility of financial products and services
-	 Talent attraction	Talent attraction

Step 5

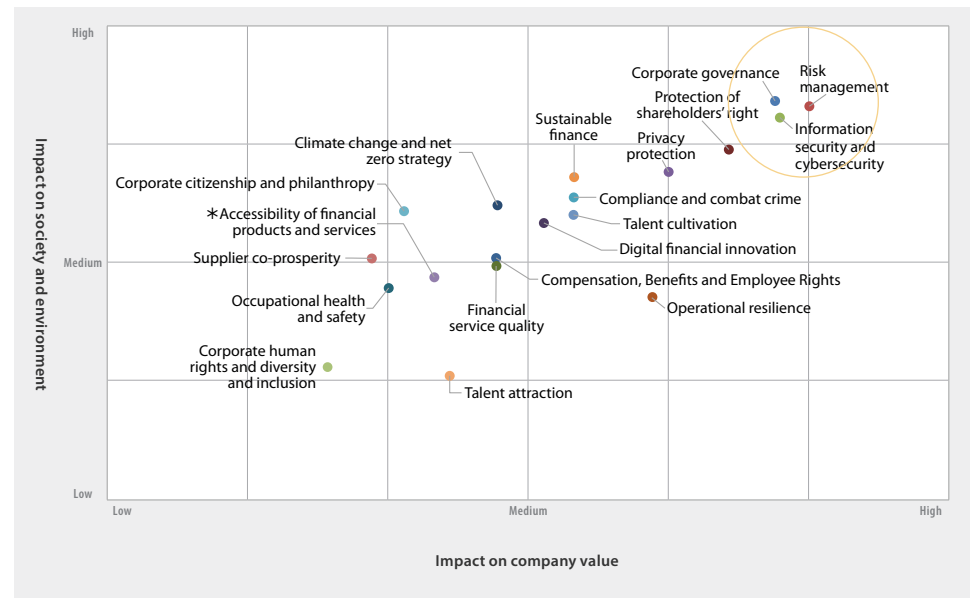
Financial materiality assessment and double materiality matrix

Description of
the methodology
and procedures

SinoPac Holdings adopted the principle of double materiality by integrating the results of impact materiality on the external environment and people with the analysis of internal financial impacts (including costs, revenues, reputation, and risks), to identify the double materiality topics that have significant impact both internally and externally in the current year.

Results

There were no significant changes to the material topics in 2025 compared to the previous year. The top three double material topics were risk management, Information security and cybersecurity, and corporate governance.

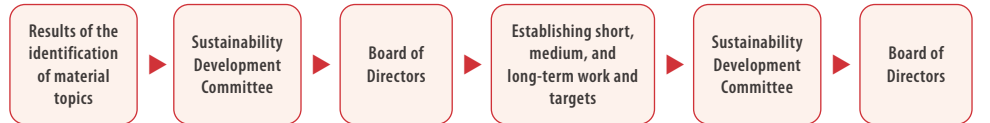


Step 6

Verify material topic identification results and related target indicators

Description of
the methodology
and procedures

The results of the aforementioned materiality identification process were submitted to the Sustainable Development Committee to review the material topics to be disclosed in this year's Sustainability Report. These topics were subsequently reported to the Board of Directors. SinoPac Holdings incorporated the short, medium, and long-term sustainable development work and target action plans planning based on the results of the identification of material topics and incorporated them into the performance targets of the President of SinoPac Holdings, as well as the short-term performance indicators of the senior executives in the respective areas of responsibility.



Results

The Company sets key indicators and long-term targets for the top three topics with double materiality. Please refer to 2.3.1 Risk Management Framework and 2.3.6 Climate Change Risk Management for related risk management mechanisms. Please refer to 2.5.1 Privacy and Security Governance Framework for matters regarding privacy. The short, medium, and long-term sustainable development work and target action plans, please refer to Section 1.1.3 Three Sustainability Commitments and SDGs, as well as the summary of the 2025 sustainability development work plan and achievements presented in each chapter. Please refer to 2.1.4.2 Senior Executive Sustainability Performance Targets for linkage of performance targets for material topics.

About this Report
Chairman's Message
Materiality Analysis
Sustainable Development Performance Highlights in 2025
Awards and Honors
About SinoPac Holdings
Fulfillment of Trustworthy Governance
Fulfillment of Innovative Service
Fulfillment of Healthy Workplace
Fulfillment of Green Operations
Fulfillment of Inclusive Growth
Appendix

Key metrics and targets for topics with double materiality of SinoPac Holdings in 2025

Double materiality topic	Key indicators	2025 implementation status	Long-term targets (2030)
Risk management	Optimize risk management performance	Integrated AR6 domestic physical climate risk database, established automated physical risk scenario analysis system, and integrated a database for SBT targets and the PCAF carbon inventory of scope 3 financed emissions.	Continuously establish integrated climate (transition risk), decarbonization, PCAF, and SBT target monitoring dashboards to manage and monitor climate risk resilience indicators and targets.
	Continuously enhance Nature-related Financial Disclosures (TNFD)	Completed the identification process for the TNFD "nature-related risks and opportunities" and introduced TNFD Exploratory Scenarios. The implementation results were disclosed in the 2024 "Sustainability Report" and "Climate and Nature-Related Financial Disclosures Report."	Continuously refine the "nature-related dependencies and impacts, risks, and opportunities" framework and scenario analysis in line with TNFD guidance, and introduce a TNFD investment and lending risk management mechanism.
Corporate governance	Strengthening the functions of the Board of Directors and functional committees	Strengthening the functions of the Board of Directors and functional committees with measures including: - All Directors met requirements as specified in the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies" and other related regulations in 2025. They had an average of 18.78 hours of training, including an average of 5.42 hours of climate-related training. - Completed the 2024 internal performance evaluation of the Board of Directors, individual board members, Audit Committee, Remuneration Committee, Ethical Corporate Management Committee, and Sustainable Development Committee, and the self-assessment results were all "Excellent". - Financial reports were reviewed and approved by the Audit Committee. - The Audit Committee supervised the appointment and remuneration of the external auditor and assessed the independence and competence of the attesting CPAs with reference to the Audit Quality Indicators (AQIs). - The Chief Auditor held two meetings to communicate with Independent Directors. - The Risk Management Division regularly reported the overall status of the Company's management of existing or potential risks or climate change risks (including physical risk and transition risk indicators and metrics) and the progress of related projects to the Audit Committee each quarter.	The minimum required attendance for all Directors is 80%. Each Director must complete at least six hours of continuing education each year, of which at least three hours should be climate-related training programs. We increased the average term of the office of the board members.
	Strengthen stakeholder communication	Continued to strengthen stakeholder communication with measures including: - Convened extraordinary and general shareholders' meetings and uploaded uninterrupted audio and video recording of the entire shareholder meeting onto the official website after the meeting. - Reported the remuneration received by Directors at the annual meeting of shareholders, including the remuneration policy, types, amounts, brackets, and its correlation with performance evaluation results.	The attendance rate of Directors at the annual general meeting must be above 70%. Hold quarterly independent investor conferences, actively participate in investment forums organized by securities firms, and dedicate efforts to reinforcing two-way communication with investors. Compile investor feedback quarterly and report it to the Board of Directors.
	Increase the diversity of board members and maintain the ratio of female Directors above 1/3	Increased the diversity of board members and increased the ratio of female Directors to 42.86%.	Enhance the diversity of board members and maintain the ratio of female Directors above 1/3
	Expand the implementation scope of linkage between sustainability goals and performance	SinoPac Holdings and its first-tier subsidiaries completed the incorporation of sustainability goals into performance evaluations for department-level supervisory personnel.	Full implementation of linkage between sustainability goals and performance to department-level managers of SinoPac Holdings.
	Implement the minimum shareholding requirements for senior executives	Established the "Guidelines on Shareholding Regulations for Senior Executives" and completed the internal communication regarding the minimum stock ownership requirements for senior executives.	Reinforce the implementation of the minimum shareholding requirements for senior executives of SinoPac Holdings in accordance with regulations.
	The proportion of female managers in middle and top management at SinoPac Holdings and its domestic subsidiaries	The proportion of female managers in middle and top management at SinoPac Holdings and its domestic subsidiaries reached 42%.	The proportion of female managers in middle and top management at SinoPac Holdings and its domestic subsidiaries exceeds 44%, and the proportion in top management exceeds 33%.
	Continue to optimize risk-based information security management	Optimized the risk-driven information security management, which included: - Convened monthly information security meetings to discuss recent trends, implemented important project structure reviews, analyzed security risks arising from emerging technologies, and published protection measures. - Continued to detect suspected phishing sites and fake corporate websites and filed reports to shut them down after confirmation. - Regularly reported material information security issues to the Information Security Committee, the Audit Committee, and the Board of Directors. - Executed outsourced projects for SinoPac Holdings and subsidiaries, including the "terminal threat detection system upgrade," "Information Security Intelligence Center," "intranet security protection monitoring and detection mechanisms," and "antivirus and web behavior management systems."	Optimize the automated threat intelligence integration platform to provide real-time prevention against potential attack risks from third parties.
Information security and cybersecurity	Continuously optimize the information security of AI application systems	Continuously optimized the information security of AI application systems, which included: - Strengthened internal regulations, including the "Regulations for Cloud Services in Emerging Technologies" by Bank SinoPac and "Guidelines for Artificial Intelligence in Emerging Technology Applications," and the "Guidelines for the Management of Emerging Technology Applications" established by SinoPac Securities. - Bank SinoPac completed the computer system security assessment and issued the corresponding report. - Promoted AI security assessment services, and supervised Bank SinoPac in completing the information security governance for secure development of AI application systems as well as the security assessment for the external customer-facing i-Wish Large Language Model (LLM) service to enhance AI application security.	Optimize core information and communication systems as well as infrastructure to strengthen operational resilience.
	Plan and implement cloud-based information security governance platform and continue to strengthen internal controls	Planned and introduced a cloud-based information security governance platform and continued to strengthen internal controls, which included supervising Bank SinoPac in completing the establishment of the cloud security governance platform.	Optimize the zero-trust information security protection mechanisms to enhance verification measures.
	Bank SinoPac and SinoPac Securities complete the transition to the updated ISO 27001:2022 certification.	Bank SinoPac and SinoPac Securities completed the transition to the updated ISO 27001:2022 certification.	Improve response measures for emerging technologies and new forms of cyberattacks.

About this Report

Chairman's Message

Materiality Analysis

Sustainable Development Performance Highlights in 2025

Awards and Honors

About SinoPac Holdings

Fulfillment of Trustworthy Governance

Fulfillment of Innovative Service

Fulfillment of Healthy Workplace

Fulfillment of Green Operations

Fulfillment of Inclusive Growth

Appendix

Material topics management approach and description of impact

Material Topic		Corporate Governance	Risk Management	Information Security and Cybersecurity	Privacy Protection	Compliance and combat crime		Sustainable Finance
Level of Materiality		Critical	Critical	Critical	Critical	Critical		Critical
Reasons of Materiality		Corporate governance and integrity management of the financial industry are the focus of attention of all stakeholders. A perfect corporate governance is conducive to optimize the sustainable development of the company and is served as the basis of business operation.	Competent authority's policy and both domestic and foreign rating agencies are focusing on the scope and importance of risk management issues and have listed climate risk as a part of risk management, while major changes in international politics increased operational risks and uncertainties and therefore caused international investors and companies to pay more attention to emerging risks.	The financial industry involves a large number of business transactions and information retention and therefore a safe and secure network management and information processing system are important issues for business operations.	Business operations of SinoPac Holdings often involve customer privacy and therefore stakeholders pay close attention to SinoPac's security measures. This includes establishing a Privacy Policy and specifying the guidelines for the use of personal data.	Financial industry is highly monitored by competent authorities. All stakeholders are concerned about how SinoPac Holdings comply with relevant regulations and establishes a control mechanism and how to respond to relevant government policies. Among them, the policies that the government has strongly promoted in recent years including the prevention of money laundering, combating the financing of terrorism and fraud are closely related to SinoPac's operations and its customers, and are also the basic responsibilities of the financial industry.		Sustainable finance is an important policy of competent authority and is also SinoPac Holdings' important action plan for the sustainability commitment of "Mitigate and Adapt to Climate Change". The Company integrated ESG into investment and financing policies and committed to develop sustainable financial products actively.
Description of impact		[Economic] Poor corporate governance and gross negligence or dishonesty, corruption, fraud may affect the overall financial system or economic order.	[Economic] Inappropriate management of external emerging risks or internal credit, market, operational and liquidity risks, interest rate risk in the banking book and other risks may result in material non-compliance or operating losses that affect the overall financial system or economic order.	[Economic/People] Inappropriate information and cybersecurity management may cause business interruption, leaks of personal data, material losses, or legal liabilities for compensation, which would violate the rights and interests of related stakeholders.	[People] A security breach or cyberattack or blackmail by hackers may cause leaks of personal data of customers, employees, or suppliers, or confidential/sensitive business information, which would violate the rights and interests of related stakeholders.	[Positive] [Economic/People] Establish a risk management system, implement crime prevention education and training, and maintain close cooperation with government agencies to build a comprehensive prevention mechanism that safeguards the public's assets.	[Negative] [Economic/People] Failure to comply with financial regulations and implement effective control mechanisms in the provision of financial services results in illegal financial activities that facilitate crimes such as money laundering and fraud. This undermines operational performance, damages corporate reputation, and compromises customer assets. Furthermore, the use of financial services to support such activities facilitates economic crimes and terrorism and causes social unrest.	[Positive] [Economic/Environmental] Directing funds to green and low-carbon economic activities and those contribute to climate adaptation through loans and investment, to mitigate environmental problems, reduce energy consumption, and increase the climate resilience of the overall economic system. [Negative] [Economic/Environmental/People] Failure to consider ESG in investment and loan activities and provide funds to companies with poor ESG performance to support their operations may create potential economic, environmental, and social risks or inadequate preventing greenwashing measures may result in adverse impacts on the environment and society.
GRI/SASB/TCFD Standards Disclosure		GRI 205: Anti-Corruption 2016 GRI 405: Diversity and Equal Opportunity 2016 SASB-FN-CB-510 Business Ethics SASB FN-IB-510a Business Ethics SASB FN-IB-510b Professional Integrity SASB FN-IB-550b Employee Incentives and Risk-taking	GRI 201: Economic Performance 2016 SASB FN-CB-550 Systematic Risk Management SASB FN-IB-550a Systemic Risk Management SASB FN-MF-450 Environmental Risk to Mortgaged Properties TCFD-Governance/ Strategy/ Risk Management	SASB FN-CB-230 Data Security SASB FN-CF-230 Data Security	GRI 418: Customer Privacy 2016 SASB FN-CF-220 Customer Privacy	SASB-FN-CB-510 Business Ethics		G4- Financial Services Sector Supplement: Product Portfolio G4 – Financial Service Sector Supplement: Active Ownership SASB-FN-CB-410a Incorporation of Environmental, Social, and Governance Factors in Credit Analysis SASB-FN-CB-410b Financed Emissions SASB-FN-MF-270b Discriminatory Lending SASB-FN-IB-410 Incorporation of Environmental, Social, and Governance Factors in Investment Banking & Brokerage Activities
Referring Chapters of Management approach		2.2.1 Ethical Corporate Management Culture 2.1.3.1 Composition of the Board of Directors 2.1.3.2 Operations of the Board of Directors 2.2.4 Material Violations and Improvement Measures	2.3 Risk management 2.3.6 Climate Change Risk Management 3 Fulfillment of Innovative Service, Summary of Six Capitals Performance (Organizing seminars on green energy) 5 Fulfillment of Green Operations, Summary of Six Capitals Performance (Investment in energy saving and carbon emissions reduction, purchase renewable energy)	2.4 Information Security/ Cybersecurity	2.5 Privacy and Security	2.2.2 Financial Crime Prevention - Anti-Money Laundering, Fraud Prevention, Combating the Financing of Terrorism and Proliferation of Weapons, Response to International Sanctions 3.4.1.1 Financial Fraud Prevention Education and Results		3.1 Sustainable Finance Strategy 3.2 Sustainable Financial Products and Services
Direction of Impact	Negative	●	●	●	●		●	●
	Positive					●		●
Range of Impact	Suppliers				●			
	SinoPac Holdings and Subsidiaries	●	●	●	●	●	●	●
	Customers			●	●	●	●	●

About this Report
Chairman's Message
Materiality Analysis
Sustainable Development Performance Highlights in 2025
Awards and Honors
About SinoPac Holdings
Fulfillment of Trustworthy Governance
Fulfillment of Innovative Service
Fulfillment of Healthy Workplace
Fulfillment of Green Operations
Fulfillment of Inclusive Growth
Appendix

Material topics management approach and description of impact

Material Topic		Financial Service Quality	Digital Financial Innovation	Climate Change and Net Zero Strategy	Protection of Shareholders' Right	Talent Cultivation	Supplier Co-prosperity
Level of Materiality		Critical	Critical	Important	Important	Important	Important
Reasons of Materiality		SinoPac Holdings upholds the vision of “Fulfillment of a Beautiful Life Through Finance”. Maintaining friendly and close relations with customers, establishing customer feedback mechanisms and improve customer satisfaction have always been important issues for the financial service sector.	With the development of technology and changes in consumption patterns, FinTech innovation has become a main issue in the international financial industry in recent years. SinoPac Holding also listed digital transformation as one of the main business strategies.	SinoPac Holdings has included climate strategy as a part of the sustainability strategies. The Company has committed to achieving net zero emissions in its own operations by 2030 and all financial portfolios by 2050. It also regularly reviews the consumption and management of energy resources needed for operations, promote energy conservation and carbon reduction, to know the material impact of business operations on the environment.	Shareholders value business operations and profitability. A company with good financial performance can continue to support business operations, actively respond to shareholders' demands, and protect the rights of shareholders.	SinoPac Holdings values employees' career development and commits to providing comprehensive on-the-job training and fair performance evaluation system to improve employees' capabilities. It is not only a topic of concern to employees but also an important topic for enterprises to create influence in society.	Suppliers are the important business partners of SinoPac Holdings, and they play key roles in the value chain.
Description of impact		[Positive][Economic/People] Through the establishment of policies and systems, to ensure fair treatment of customers and safeguard the rights and interests of financially disadvantaged groups. Optimize customer experience and provide them with better services by improving the quality and efficiency of financial products and services. [Negative] [People] Customer misunderstandings or negative feelings due to inadequate disclosure or communication of service policies and related laws and regulations; employees' negligence, poor service attitude, or failure to explain matters causes a violation of customers' rights and interests or complaints.	[Positive] [Economic/People] Increase the convenience and digitalization of the overall financial environment; enhance the convenience for customers in the use of financial services by providing digital financial services. [Negative] [People] System anomalies for account opening/transaction/accounts cause a violation of customers' rights and interests or complaints.	[Positive] [Economic/Environmental] SinoPac Holdings has proposed the commitment to net zero emissions and has established mechanisms for incentives, evaluation, performance indicators, and engagement activities that are related to carbon reduction targets, and will lead the industry to attain the net zero transformation and reduce the impact on the environment. [Negative] [Economic/People/Environmental] GHG emissions exacerbated the greenhouse effect and causes climate-related disasters, which in turn affect the economy, environment, and people. The depletion of energy and resources also gives rise to environmental impacts.	[Economic/People] Company implements appropriate business strategies, achieves effective business operations, and continues to be profitable to respond to the needs of shareholders, and to create higher economic value for the country and shareholders.	[Economic/People] Promote the growth of related knowledge of professionals in the industry to support the overall development of the industry; provide comprehensive training programs to enhance employees' competitiveness in their roles and support their future career development.	[Economic] Promote supplier development through procurement and thereby increase the overall economic resilience of the industry value chain.
GRI/SASB/TCFD Standards Disclosure		GRI 417: Marketing and Labeling 2016 SASB-FN-CF-270 Selling Practices SASB-FN-MF-270a Lending Practices	GRI 203: Indirect Economic Impacts 2016	GRI 201: Economic Performance 2016 GRI 302: Energy 2016 GRI 305: Emissions 2016 GRI 306: Waste 2020 SASB-FN-CB-410a Incorporation of Environmental, Social, and Governance Factors in Credit Analysis SASB-FN-CB-410b Financed Emissions SASB- FN-MF-450 Environmental Risk to Mortgaged Properties TCFD-Governance/ Strategy/ Risk Management/Metrics and Targets	GRI 201: Economic Performance 2016 G4-FS6 Percentage of the portfolio for business line by specific region, size and by sector	GRI 404: Training and Education 2016	GRI 204: Procurement Practices 2016 GRI 308: Supplier Environmental Assessment 2016
Referring Chapters of Management approach		3.4 Customer Relations	3.3 Smart Finance	2.3.6 Climate Change Risk Management 3 Fulfillment of Innovative Service, Summary of Six Capitals Performance (Organizing seminars on green energy) 5.1 Green Operations	1 About SinoPac Holdings Special Chapter 1 Business Strategy and Performance (Net Revenues, Payments to providers of capital) 2.1.2 Shareholding Structure 2.2.3 Tax Policy (Income Tax Paid) 4 Fulfillment of Healthy Workplace (Employee wages and benefits) 5.2.2 Local and Green Procurement Results (Spending on local suppliers) 6.1.2 Social Involvement Investment Overview (Community investments)	4.2.2 Talent Cultivation 4.2.3 Diverse Performance Appraisal	5.2 Sustainable Supply Chain
Direction of Impact	Negative	●	●	●			
	Positive	●	●	●	●	●	●
Range of Impact	Suppliers			●			●
	SinoPac Holdings and Subsidiaries	●	●	●	●	●	●
	Customers	●	●	●			

About this Report

Chairman's Message

Materiality Analysis

Sustainable Development Performance Highlights in 2025

Awards and Honors

About SinoPac Holdings

Fulfillment of Trustworthy Governance

Fulfillment of Innovative Service

Fulfillment of Healthy Workplace

Fulfillment of Green Operations

Fulfillment of Inclusive Growth

Appendix

Material topics management approach and description of impact

Material Topic		Occupational Health and Safety	Operational Resilience	Corporate Human Rights and Diversity and Inclusion	Compensation, Benefits and Employee Rights	Corporate Citizenship and Philanthropy	Accessibility of Financial Products and Services		Talent Attraction
Level of Materiality		Important	Important	Important	Important	Important	Important		Basic
Reasons of Materiality		Paying attention to employees' physical and mental health and taking relevant measures to ensure compliance in the workplace.	In the post-pandemic era, the uncertainty caused by the emerging risks (i.e., introducing generative AI into operations, geopolitical conflicts) brought significant impacts on business operations. Improving operational resilience allows companies to predict the risk probability and take corresponding actions while accelerating corporate transformation.	Establishing human rights policies that comply with international human rights principles and taking practical actions to prevent infringement and violations of human rights, to implement workplace equality, diversity and inclusion.	SinoPac Holdings offers competitive remuneration and comprehensive benefits to employees to create competitive products and services for the Company and create value for the society.	The facilitation of social welfare activities including donations to disadvantaged groups and the support and assistance for the development of local communities have a material impact on society.	"Reduce Inequality" is one of SinoPac's three Sustainability Commitments. Approaching different types of customers by different financial products and services and then enhance the financial accessibility for financially disadvantaged groups. It is the key element to creating positive impact on society.		Employees are the most important assets for companies. SinoPac Holdings understands the importance of having diverse talents and prioritizes talent selection and retention. The Company is also committed to building a diverse and competitive talent pool to create value together.
Description of impact		[Positive] [People] Implement continuous improvements of the workplace environment and safety and health to provide employees with good jobs and development opportunities. [Negative] [People] The rights and interests of employees, suppliers, and other stakeholders are affected by occupational injuries or accidents.	[Economic/People] Interruption of financial services may cause instability and service unavailable in the financial market, the corporates and the public cannot access financial services, which would in turn cause economic stagnation and social unrest.	[Positive] [People] Promote workplace diversity and inclusion through the establishment of policies and institutional frameworks. Protect the rights of disadvantaged groups such as women and people with disabilities, and respect for cultural differences, including those related to religion, sexual orientation, and nationality. Create a workplace environment of diversity, equality and free from discrimination and harassment. [Negative] [People] Inappropriate treatment or discrimination against employees, suppliers, and customers, or excessive overtime work / forced labor.	[Economic/People] Foster a sound working environment and career development opportunities, strengthen effective and transparent communication between the Company and its employees to promote mutual trust and collaboration, provide competitive compensation and benefits, and safeguard employees' livelihoods and well-being.	[People] Leverage core financial competencies to drive positive financial impact by supporting the economically disadvantaged or other special groups through public welfare/charity activities or partnerships with charity organizations.	[Positive] [Economic/ People] Provide favorable or additional financial services to disadvantaged or special groups to increase the convenience in their use of financial services. Support business transformation and industrial development to drive business activities with greater social benefits. [Negative] [Economic / People] In the provision of financial products and services, failure to adequately consider the risks that vulnerable or special groups may face when accessing financial services, as well as failure to implement effective management of inclusive financial products, services, and processes, may result in negative impacts on specific issues or groups, infringe upon the human rights of customers and socially disadvantaged groups, and hinder their fair access to financial resources and opportunities.	[Economic/People] Attract talents with different skills and professional backgrounds and provide them job opportunities in finance to increase employment rate and then support the stable development of the financial sector.	
GRI/SASB/TCFD Standards Disclosure		GRI 403: Occupational Health and Safety 2018	GRI 203: Indirect Economics Impacts 2016	GRI 405: Diversity and Equal Opportunity 2016 GRI 406: Non-Discrimination 2016 GRI 407 Freedom of association and collective bargaining 2016 GRI 414: Supplier Social Assessment 2016	GRI 201: Economic Performance 2016 GRI 202: Market Presence 2016 GRI 401: Employment 2016	GRI 201: Economic Performance 2016 SASB FN-CB-240 Financial Inclusion & Capacity Building	GRI 203: Indirect Economics Impacts 2016 G4 - Financial Services Sector Supplement: Product Portfolio and Local Communities SASB FN-CB-240 Financial Inclusion & Capacity Building SASB FN-MF-270b Discriminatory Lending		GRI 401: Employment 2016 GRI 405: Diversity and Equal Opportunity 2016 SASB FN-IB-330a Employee Diversity & Inclusion
Referring Chapters of Management approach		4.4.3 Occupational Health and Safety Appendix 1: Other ESG Data Human Resource Management Indicators	2.3.4 Operational Resilience	2.3.8 Human Rights Risk Identification and Management 4.1.1 Diversity in Employee Structure 4.3.1 Compensation System 4.4.1 Harmonious Labor-Management Relations 4.4.2 Employee Communication Platform 4.4.3.3 Workplace Equality and Anti-Discrimination 5.2.1 Sustainable Supply Chain Management Appendix 1: Other ESG Data Human Resource Management Indicators	4.3 Employee Compensation and Benefit	6 Fulfillment of Inclusive Growth	3.2.2 Social Finance		4.2.1 Talent Attraction 4.3 Employee Compensation and Benefit Appendix 1: Other ESG Data Human Resource Management Indicators
Direction of Impact	Negative	●	●	●				●	
	Positive	●		●	●	●	●		●
Range of Impact	Suppliers		●	●					
	SinoPac Holdings and Subsidiaries	●	●	●	●	●	●	●	●
	Customers		●			●	●	●	